NEWSWORTHY TRENDS IN GRANTS MANAGEMENT

A Bulletin Board to provide timely information to applicants and subrecipients of ADE-administered State and Federal Assistance Grants/Projects

JUNE 2002

◆ Understanding Cash Management better in FY03

Federal grant applications must show only a **first** project payment (according to 30-day needs: requisitions, encumbrances and/or payroll not to exceed a 30-day period). Then, in the **first** month that the project has revenue (either through approved local carryover or via payment from the ADE), a cash management report is due.

The cash management report assesses both project compliance and the **following** month's fiscal needs. Cash management normally works to generate funds for the next month if need is indicated and no holds exist on the project. The *__exception__ is during the last month of the project, because no payment can be made past the project end date except after approval of a valid completion report. *A report is still due in the last month of the project to assess compliance.*

If you miss a report, the online system recognizes a cash management report as belonging only to the month in which it was submitted. It does not recognize retroactive reports as such.

The monthly payment cycle and monthly cash management work together provide a cash advance each month that project funds are needed*. So the first payment covers that first month, during which you will submit a report showing what's currently available for expenditure and WHAT'S NEEDED FOR THE NEXT MONTH ONLY. The report should NOT include encumbrances for the remainder of the month in which you're reporting, because the project would have already received funds to cover that entire month. Ideally then, in the last month of the project, payments have been sent to

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cover that final month, the remaining cash on hand would be close to zero, and there would be no encumbrances. Questions can be directed to the Grants Management office at the number provided below.

○ **Rodeo-Chedeski fire**

Due to the horrifying Rodeo-Chedeski fire, the Department of Education understands that many school districts and charter schools will not be able to comply with certain financial reporting requirements as we start a new fiscal year.

Legislation requires the governing boards of all public school districts and charter schools to propose and adopt budgets no later than July $5^{th,}$ 2002 and 15th, 2002 respectively.

Each district impacted by the fire should make efforts to propose and adopt their budgets when their circumstances allow. Acceptable delays will be based on disaster impact in each district and are flexible.

The Arizona Department of Education will work with all districts and charters to ensure that delays in meeting the budget proposal and adoption requirements, as a result of the fire, do not result in penalty. We also are able to help school administrators address a myriad of other potential problems, such as teacher re-certification, delivering test results, transportation issues and loss of structure or supplies, and Grants Management deadlines.

Please do not hesitate to contact ADE with any questions or concerns. We are here to support your schools and ensure that Arizona children receive an essential education.

♦ **No Child Left Behind (or NCLB, formerly IASA) Consolidated Application**

For FY03, the IASA Consolidated application will change. After submission, the application will split into 3 parts according to the Program Office handling the grant(s). This means that one or more applications may be viewed, unapproved or approved at a time, allowing greater flexibility for Program Areas and LEAs to negotiate grant applications. Additionally, the allocation amounts (listed by LEA) are posted in the NCLB application downloads

(**http://www.ade.az.gov/GME/FundingProfileView/FundingProfileDownloads View.asp**)

For information regarding the grants included in the NCLB application, please contact the appropriate Program Office administering the grant using the Contacts link at the top of the Grants pages.

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♦ Changes in carryover for State Chemical, AZ Parents Commission on Drugs and School Safety, and others

Please review the Multi-Year Fund Carryover Matrix found on the Grants Management Glossary page to read the new process for handling carryover for these grants. Do not remit budget balance funds until directed to do so by the Program Office in the approved completion report.

♦ Allocation amounts posted online

The ESS Funding Unit has chosen to post LEA allocations within the application downloads section for both the IDEA Basic Entitlement and Preschool grants. LEA allocations are toward the end of the documents and are listed alpha by county, then alpha by LEA name. No Child Left Behind allocations are also posted under the NCLB application downloads).

http://www.ade.az.gov/GME/FundingProfileView/FundingProfileDownloadsView.asp

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♦ Supplemental (Narrative) Project Data to be collected online

IDEA and several other grants will have a narrative data collection piece included in the online completion report for FY02. Remember that there may *also* be narrative data required with a completion report that *cannot* be collected online and must be remitted via US Postal Service or email. Please visit the **Completion Report Downloads page** and/or contact the Program Office to make sure your completion report is complete. (Missing narrative data can interrupt the flow of current year funds.)

January 2002

♦ New Grants Management Enterprise deployed

In January 2002 the Grants Management System got a facelift and became the Grants Management Enterprise (GME). The system merged with the ADE Common Logon and the processes were revised.

♦ 21st Century Learning Grant

It's official: The ADE Student Services Unit will be handling the 21st Century Learning grant beginning FY03. Your contact is Lynn Dulin, Director of Student Services @ 602/542-8709 or visit
http://www.ade.az.gov/health-safety/21century.asp

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JUNE 2001

♦ Cash Management Policy Change

Click **here** to be taken to the Cash Management Memo sent to LEAs in June 2001. This document informs subrecipients about changes in cash management policy effective July 1, 2001.

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